



Representative Earl Blumenauer

H.R. 1052 Bike Commuter Act

Currently, employers may offer a Transportation Fringe Benefit to their employees for commuting to work. Employees who take advantage of this benefit may receive a tax exemption benefit totaling \$190/month for drivers participating in qualified parking plans, or \$100/month for transit or vanpooling. The Bike Commuter Act, co-sponsored by Representative Mark Foley (R-FL), will include bicycling in the Transportation Fringe Benefit.

REASONS FOR THE CHANGE:

Incentives for bicycle commuting have enormous potential to reduce single occupancy vehicle trips. In fact, a Rodale Press survey found that Americans want to have the opportunity to bike to work instead of driving, with 40% of those surveyed saying they would commute by bike if safe facilities were available. The Bureau of Transportation Statistics recently found that bicycling is the second most preferred form of transportation after the automobile - ahead of public transportation. If the purpose of the Transportation Fringe Benefit provision is to reduce traffic congestion, alleviate air quality problems, and conserve energy, it makes sense to add bicycling to the definition.

FREQUENTLY ASKED QUESTIONS:

- **How can we guarantee that those who take advantage of the bicycling benefit would actually ride their bikes?** This same issue has been raised in connection with the parking benefit. Since the purpose of the benefit is intended to reduce single occupancy vehicle trips, there is no need to "police" bicycle use, so long as the employee does not also receive parking benefits.
- **Can bicyclists take advantage of this benefit now?** No. At this time, employers are only able to offer the transportation benefits listed above. By not including bicycle commuting as an eligible recipient of the benefit, we are actually creating a disincentive for a mode of transportation that reduces congestion and improves health.
- **With one million people bicycling to work, won't this be expensive?** The benefit is designed to curb other high transportation costs including road maintenance, traffic problems and pollution. Without even taking into consideration these benefits, the Joint Committee on Taxation has estimated the annual cost at \$114 million.
- **Will this really reduce congestion?** Yes. In a time of growing frustration with traffic congestion, it is clear that the right incentives can serve to induce many of the 50% of commuters who commute less than 5 miles out of their cars and onto bicycles. This change sends the right message that the federal government is taking steps to deal with growing traffic problems across the country.

FACTS & FIGURES:

- There is great potential to increase the numbers of bicycle commuters in the U.S., which would help reduce the number of trips made by automobile. Forty percent of all trips in the U.S. are made within two miles of the home and 50% of the working population commutes five miles or less to work. (1995 Nationwide Personal Transportation Survey).
- According to the Bureau of Transportation Statistics (BTS) October 2000 Omnibus Household Survey, 41.3 million Americans (20.0%) used a bicycle for transportation in the 30 days measured in the survey. Bicycling is the second most preferred form of transportation after the automobile, ahead of public transportation. Over 9.2 million (22.3%) of the 41.3 million people who bicycled did so more than ten of the 30 days.

For more information on the bike commuter bill, please contact James Koski in the DC office at (202) 225-4811 or Tom Markgraf in the Portland office at (503) 231-2300, or check out our website at <http://www.house.gov/blumenauer>.

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Information**